

Members

Rep. William Crawford, Chairperson
Rep. Charlie Brown
Rep. Peggy Welch
Rep. Timothy Brown
Rep. Suzanne Crouch
Rep. Don Lehe
Sen. Patricia Miller
Sen. Robert Meeks
Sen. Ryan Mishler
Sen. Sue Errington
Sen. Vi Simpson
Sen. Connie Sipes



SELECT JOINT COMMISSION ON MEDICAID OVERSIGHT

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MEETING MINUTES¹

Meeting Date: July 31, 2008
Meeting Time: 1:00 P.M.
Meeting Place: Kelley Student Center, IU-Kokomo,
Room 130
Meeting City: Kokomo, Indiana
Meeting Number: 1

Members Present: Rep. William Crawford, Chairperson; Rep. Charlie Brown; Rep. Peggy Welch; Rep. Timothy Brown; Rep. Suzanne Crouch; Sen. Patricia Miller; Sen. Robert Meeks; Sen. Ryan Mishler; Sen. Sue Errington.

Members Absent: Rep. Don Lehe; Sen. Vi Simpson; Sen. Connie Sipes.

Chairperson Crawford called the meeting to order at 1:10 p.m. Commission members introduced themselves.

EDS Update

Ms. Lola Jordan provided the Commission with a handout updating the Commission on the number of Medicaid claims paid, the number of participating providers, the number of Medicaid recipients, and the expenditures paid by EDS under the Medicaid program. See Exhibit 1. When asked why the percentage of claims is going down, Ms. Jordan

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.in.gov/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

responded that the claim payment number is going down as more recipients are being moved from the fee for service program to the managed care program. Chairperson Crawford clarified that when Ms. Jordan refers to denials in the report, she is referring to claims that are being denied for payment to providers, not denial of services for recipients. The handout includes information for the last four fiscal years.

FSSA Testimony

The Commission provided FSSA with questions in which the Commission requested FSSA's response. (See Exhibit 2 for the questions and Exhibit 3 for FSSA's responses). Secretary Mitch Roob, FSSA, informed the Commission that 21,000 people have been enrolled in the Indiana Check Up Plan (or Healthy Indiana Plan) since enrollment began this year. See Exhibit 4 for more statistics and information concerning the implementation of this plan.

Secretary Roob stated that an Indianapolis Star article published on the day of the meeting stated that a woman visited her local office seven times before she received her services, but erroneously stated that she was a victim of modernization. This person lives in a county that has not yet started the modernization process, and she would not have had to make all of these visits if she was in a modernization county. All of the county offices will remain open, and will not be closed because of the new process.

Secretary Roob gave more information on the roll out of the modernization plan. See Exhibit 4. The number of telephone calls to the call center have varied depending on the day, the week, and the month. The overall program volume is generally stable. June program figures are skewed because of the flooding in the state. Food stamp timeliness is up, TANF volume is up while the timeliness numbers have decreased, and the Medicaid numbers are down and timeliness is up because of the flood with fewer applications being received because of the flood. (See Exhibit 4, pages 38 through 46).

According to Secretary Roob, modernization has given FSSA substantial flexibility that helped with FSSA's response to the flood. FSSA was able to mobilize services to the flood counties to help those affected. Also, for those individuals attending the meeting, FSSA is able to bring employees to the meeting to help them.

In response to the flood, FSSA extended Medicaid eligibility for flood recipients who were previously eligible for Medicaid. CMS has retroactively approved this action, but FSSA is now seeking federal reimbursement for the costs of this action. This action will cost \$10 million dollars to \$15 million dollars, but could reach as much as \$45 million dollars. This issue is still unresolved. FSSA also provided some disproportionate share hospital dollars to Columbus Regional hospital to help with the hospital's emergency room which was damaged in the flood. When asked whether the Medicaid reserve fund would be able to cover the additional flood costs, Secretary Roob responded that it depended on how much the cost is and the amount of federal dollars we receive.

FSSA also issued replacement food stamps and individuals were able to apply for emergency food stamps. FSSA decided to postpone further roll out of the modernization plan because of the floods, not because of a federal mandate. The Governor has requested FSSA to provide special outreach to five counties affected by the flood, including ensuring that eligible people apply for FEMA assistance.

Secretary Roob stated that there are some issues that will need to be addressed this summer, including supplemental payments that will affect Lake County and Marion County, nursing home rate issues, developmentally disabled issues, and mental health issues.

When asked about the Medicaid enrollment numbers for rollout counties and non-rollout counties, Secretary Roob stated that the numbers are difficult to analyze because of the effect of the flood. August numbers will be the most reliable numbers to look at in determining whether the modernization rollout has affected Medicaid enrollment.

Discussion took place regarding a letter sent to FSSA by the federal government on June 23, 2008 and whether the federal government told FSSA to cease and desist in further rollout of the modernization plan. Secretary Roob stated that the federal letter was concerned with the food stamp program and the time frame in processing food stamp applications. The federal government would like the state to meet a 30-day time frame, but Indiana has been previously operating under a 60-day time frame. Chairperson Crawford stated that he wanted to be able to ensure the public that these programs would operate in a timely fashion, regardless of whether the county is located in a rollout county.

When asked whether the federal Farm bill concerning food stamps would affect Indiana, Secretary Roob stated that the bill changes the name of the food stamps program but has no other effect on Indiana.

When asked whether employees who have been assisting recipients at the town hall meetings had the authority to assist the recipients since this has been questioned at previous town hall meetings, Secretary Roob assured the Commission that the employees do have that authority.

Representative Welch stated that the Voluntary Community Assistance Network (V-CAN) is having problems and is overwhelmed. Secretary Roob stated that he is excited that community organizations are able to help individuals get assistance, but that the local office is always available if an organization is overwhelmed.

Comments were made by Commission members that they have received complaints from constituents that people who have called the call centers are often waiting 45 minutes to one hour, and that this is hard for people who are working and need to take time off for these calls, as well as being difficult for disabled individuals. Commission members requested data separating out the rollout area statistics. Secretary Roob stated that he is befuddled that in Madison County the food stamp program enrollment has decreased, but Madison County is the third largest in Indiana Check-up Plan participants, when the same entity administers both programs.

When asked about the status of presumptive eligibility for pregnant women, Secretary Roob stated that FSSA first interpreted the definition of qualified provider to determine presumptive eligibility too narrowly, but now legislators have helped FSSA realize that other states define this more broadly and FSSA will reapply for the presumptive eligibility waiver in August.

Dr. Jeffrey Wells, Director of Medicaid, FSSA, was asked questions by the Commission concerning automatic assignment of a provider in the Medicaid program. If a Medicaid recipient does not choose a primary medical provider, FSSA takes several steps in determining who is assigned as the individual's primary medical provider. First, FSSA looks at whether the individual or a relative of the individual has a prior relationship with a medical care provider. If unsuccessful, the next step is to determine if the individual has a prior relationship with a managed care organization. The last criteria is assigning the individual to the managed care organization with the lowest number of members. The individual is automatically assigned to a primary medical provider as a last resort. Automatic assignment has occurred with 9.61% of the enrolled members (See Exhibit 4, page 32).

In response to a question from a Commission member regarding when all managed care organizations would be web based, Dr. Wells stated that this would occur by the end of the year.

When asked whether the IBM/ACS contract was flexible and allowed for changes, Secretary Roob stated that changes could be made to the contract and that the scope of the change would affect how much the change would cost.

Public Testimony

Representative Herrell thanked the Commission for having the meeting in Kokomo and thanked FSSA for working with him to help some of his constituents. Representative Herrell expressed concern that a for profit business was making decisions for state programs that serve the most vulnerable population of the state.

The Commission heard testimony from a former caseworker employee, volunteers from various organizations, attorneys representing the individuals suing the state concerning the modernization program, and Medicaid/food stamp applicants and recipients. These witnesses stated that the new system is flawed, that it is difficult to get through to the call center and that often when the person does get through to a representative, the representative answering the call does not have answers to the questions posed, and that many hardships have been caused as a result of the new system. Multiple persons also testified about documents being submitted but lost, and requiring the same document to be sent multiple times. See Exhibits 5 through 7 for documents that were distributed to the Commission by the public.

The Commission requested FSSA to respond to the following questions at the next meeting: Is an individual notified that a benefit is being denied or that the individual is going to lose a benefit? Are individuals being told to reapply instead of appeal a denial determination and does this affect the time frame for when an individual is eligible for benefits?

Chairperson Crawford provided Commission members and FSSA with questions for FSSA to respond to at the August 20th meeting. See Exhibit 8.

The meeting was adjourned at 4:47 p.m.